

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7290**

**BILL NUMBER:** HB 1192

**NOTE PREPARED:** Jan 3, 2003

**BILL AMENDED:**

**SUBJECT:** Public Officers' Salaries.

**FIRST AUTHOR:** Rep. Ulmer

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:** ☒ **GENERAL**  
☐ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State

STATE IMPACT	FY 2003	FY 2004	FY 2005
State Revenues		170,999	341,998
State Expenditures		5,992,994	11,985,986
Net Increase (Decrease)		(5,821,995)	(11,643,988)

**Summary of Legislation:** This bill increases the salaries paid to trial court, appellate court, and supreme court judges.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** This bill would increase the salaries of court officers by varying amounts. The following table shows the proposed salary increases.

Increasing the salaries of trial court judges will also increase the salaries of other court officers which are linked in statute.

- The salaries of magistrates are defined in statute as 80% of the salary of a trial court judge (IC 33-4-7-9.1).
- The salaries of juvenile court magistrates are also 80% of the salary of trial court judges, but the

county pays \$41,393 of the total salary (IC 33-13-12-8.2).

- The salaries of the prosecuting attorneys are the same as the salaries of the judges of the circuit court (IC 33-14-7-5).

Prosecuting attorneys may elect to work part-time. If they do, then their salary will either be 60% or 66% of the salary of a full-time prosecuting attorney, depending on whether there are correctional facilities or state mental facilities located in the county in which they serve.

Deputy prosecuting attorneys who are paid by the state may also elect to work on a part-time basis. Part-time deputy prosecuting attorneys are paid 75% of the salary of prosecuting attorneys (IC 33-14-7-2).

			Salaries			
		# of Officers	Current	Proposed	Increase	% Increase
Justices, Judges, and Other Court Officers	Supreme Court Justices	5	\$115,000	\$135,200	\$20,200	18%
	Court of Appeals Judges	16	\$110,000	\$130,200	\$20,200	18%
	Trial Court Judges	299	\$90,000	\$109,200	\$19,200	21%
	Magistrates	49	\$72,000	\$87,360	\$15,360	21%
	Juvenile Court Referees	17	\$30,607	\$45,967	\$15,360	50%
Prosecuting Attorneys	Full Time	63	\$90,000	\$109,200	\$19,200	21%
	Part Time at 66%	10	\$59,400	\$72,072	\$12,672	21%
	Part Time at 60%	17	\$54,000	\$65,520	\$11,520	21%
Deputy Prosecuting Attorneys	Full Time	63	\$67,500	\$81,900	\$14,400	21%
	Deputies at 66%	20	\$44,550	\$54,054	\$9,504	21%
	Deputies at 60%	29	\$40,500	\$49,140	\$8,640	21%
Total Number		588				

The total cost of this proposal includes the judicial officers' increased salaries and the subsequent increase in the state's contribution to Social Security, FICA, Life and Disability Insurance premiums, and retirement programs.

The **impact** on the state General Fund is described in the following table.

		<b>FY 2004</b>	<b>FY 2005</b>
<b>Justices, Judges, and Magistrates</b>	Salaries	\$3,589,380	\$7,178,760
	Life and Disability Insurance	\$90,093	\$180,187
	Social Security and Medicare	\$83,473	\$166,945
	Judges Retirement Fund	\$647,784	\$1,295,567
<b>Prosecuting Attorneys and Deputies</b>	Salaries	\$1,440,000	\$2,880,000
	Life and Disability Insurance	\$36,144	\$72,288
	Social Security and Medicare	\$72,658	\$145,316
	Pros. Attys. Retirement Fund	\$33,462	\$66,923
<b>Additional Expenditures:</b>		<b><u>\$5,992,994</u></b>	<b><u>\$11,985,986</u></b>
<b>Added Income Tax Revenue (See State Revenues):</b>		<b><u>\$170,199</u></b>	<b><u>\$341,998</u></b>
<b>Additional Revenue:</b>		<b><u>\$170,199</u></b>	<b><u>\$341,998</u></b>
<b>NET EXPENDITURES FOR THE STATE GENERAL FUND:</b>		<b><u>(\$5,822,795)</u></b>	<b><u>(\$11,643,988)</u></b>

**Explanation of State Revenues:** This additional income would be subject to the 3.4% state income tax. Based on the estimated increase in salaries, the state would collect an additional \$171,000 in income taxes in FY 2004 and \$342,000 in FY 2005.

<b>Added Revenue from State Income Tax</b>				
		<b><u>FY 2004</u></b>		<b><u>FY 2005</u></b>
Justices, Judges, & Magistrates		\$3,589,380		\$7,178,760
Prosecuting Attorneys and Deputies	+	<u>\$1,440,000</u>	+	<u>\$2,880,000</u>
Salary Increase		\$5,029,380		\$10,058,760
State Income Tax Rate	x	<u>3.4%</u>	x	<u>3.4%</u>
Added Income Tax Revenue		<u>\$170,999</u>		<u>\$341,998</u>

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** If this additional income is subject to local option income taxes, locals will also see a minimal increase in revenue collections.

**State Agencies Affected:** Supreme Court Justices, Court of Appeals Judges, Office of State Court Administration.

**Local Agencies Affected:** Trial Courts, Prosecuting Attorneys.

**Information Sources:** 2001 Indiana Judicial Report.

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